

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MASSACHUSETTS**

ASSOCIATION OF AMERICAN
UNIVERSITIES, *et al.*,

Plaintiffs,

v.

NATIONAL SCIENCE FOUNDATION, *et al.*,

Defendants.

Case No. 1:25-cv-11231-IT

**DEFENDANTS' NOTICE
IN RESPONSE TO THE COURT'S JUNE 20, 2025 ORDER (DOC. NO. 77)**

Defendants submit this notice in response to the Court's June 20, 2025 Order.

Doc. No. 77. The Court granted Plaintiffs' request for summary judgment and vacated NSF Policy Notice 25-034, *Implementation of Standard 15% Indirect Cost Rate*, effective date May 5, 2025 (the "Policy"). The Court further ordered "that within 72 hours of entry of this Order, Defendants provide written notice of the Order to all funding recipients affected by the 15% Indirect Cost Rate and that, further, Defendants notify the court that they have done so promptly thereafter." Doc. No. 77. Defendants submit this notice to notify the Court regarding NSF's compliance with the Court's order.

As set forth in the June 23, 2025 declaration of Jason Bossie, NSF's Deputy Office Head in the Office of Budget, Finance, and Award Management, attached as Exhibit 1, on June 23, 2025, NSF put a yellow banner at the top of the notice of the Policy (<https://www.nsf.gov/policies/document/indirect-cost-rate>) with a black exclamation point that states: "On June 20, 2025, the U.S. District Court for the District of Massachusetts, in No. 1:25-cv-11231-IT, vacated NSF's 15% Indirect Cost Rate policy

(NSF 25-034). In compliance with the court’s decision, NSF will not implement the policy at this time. New NSF awards issued will not implement NSF 25-034, but will include a term applying NSF 25-034 for the entirety of the award if a subsequent court decision permits application of the policy.” Ex. 1 at ¶ 6.

On June 23, 2025, NSF initiated email communications to the NSF external community to provide individualized written notice of the Order. Ex. 1 at ¶ 7. Given the significant amount of time required to operationalize mass email communications of this nature, NSF prioritized individualized email notification to: all organizations with pending proposals received to date; and the official email addresses of all organizations with an active award. *Id.* Thereafter, NSF will further notify: all organizations that submitted a proposal to the NSF within the past seven (7) years; all Principal Investigators and co-Principal Investigators on active awards; and all users with financial certifier permissions activated. *Id.* The email notification announces that “On June 20, 2025, the U.S. District Court for the District of Massachusetts, in No. 1:25-cv-11231-IT, vacated NSF’s 15% Indirect Cost Rate policy (NSF 25-034). In compliance with the court’s decision, NSF will not implement the policy at this time.” The email notification also includes a link to the Court’s order. *Id.*

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Dated: June 23, 2025

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that this document filed through the ECF system will be sent electronically to the registered participants as identified on the Notice of Electronic Filing (NEF).

Dated: June 23, 2025

/s/ I-Heng Hsu
I-Heng Hsu